SUPREME COURT, U. S.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1970.

No. 1746

NATIONAL GYPSUM COMPANY AND PLAZA PLASTERING CO.,

Petitioners,

vs.

UNITED STATES GYPSUM COMPANY,

Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

RESPONDENT'S BRIEF IN OPPOSITION.

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Dated: May 25, 1971.

THE GUNTHORP-WARREN PRINTING COMPANY, CHICAGO

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FOREWORD.

This is the second time that petitioners have sought a writ of certiorari in this case. Their first petition (No. 1084, October Term, 1967) was denied March 18, 1968, 390 U. S. 988.

During the twelve years of pendency of this litigation, petitioners have urged the courts below on no less than nine separate occasions to hold the patent in suit invalid and/or unenforceable. Every one of those efforts failed. In

addition to having been exhaustively considered by the district judge, the case has come before eleven judges of the Court of Appeals. These included all of the judges in regular and active service on that court as of April 15, 1971 and one Senior Circuit Judge who was on the panel that last passed on the case, all of whom joined in denying petitioners' petition for rehearing *en banc*.

QUESTIONS PRESENTED.

Petitioners' presentation of their questions 1 and 2 (Pet. 2-3) is so inaccurate and ambiguous as to be grossly misleading. These questions refer to "prior work" of others without distinguishing between the entirely different meanings of the word "prior" in § 102 and § 103 of Title 35, U. S. C. As will be pointed out hereinafter, a recognition of these different meanings shows that questions 1 and 2 do not arise at all on the facts of the present case.

Question 3, although properly presented, has already been decided by this Court.

STATEMENT OF THE CASE.

The statement by petitioners (Pet. 5-10) is adroitly worded to convey the impression that because the Mackey 1948 "work" was more than one year prior to the filing date of the application for the patent in suit it was necessarily prior to the patentee's date of invention. The evidence is clear and uncontroverted that such was not the case. The patentee's invention was made at least as early as February 7, 1947, as shown by contemporaneous and unchallenged documentation (PX 514, P. App.* 440). Petitioners have never relied on any date prior to the middle of 1948 for anything allegedly done by Mackey.

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* Referring to Appendix to Brief for Plaintiff-Appellant, filed in the Court of Appeals in Appeals Nos. 15126 and 15127 on or about March 9, 1966. This Appendix was also before the Court of Appeals in the second appeal, No. 17613.

REASONS FOR DENYING THE WRIT.

The petition at bar makes no showing that any question of the slightest national importance is involved. Petitioners' questions 1 and 2 are not even properly presented, and question 3 is squarely answered by recent rulings of this Court.

Questions 1 and 2.

The references (Pet. 3) to "prior, fully proved work of others" cannot refer to anything other than the "work" allegedly done by Mackey in August, 1948 (Pet. 6). That was "prior" only in the sense that it was more than one year prior to the application for the patent in suit. It was long *after* the February 7, 1947 date of the patentee's invention.

Both of the courts below held that the Mackey 1948 "work" did not constitute a "public use" or an "on sale" defense under 35 U. S. C. § 102(b), and petitioners do not now attack that adjudication. Instead, they advance the utterly specious contention that the "work" in question was "prior" in the sense of 35 U. S. C. § 103.

Contrary to petitioners' arguments (Pet. 10-12), this Court recognized in both *Graham* v. *John Deere*, 383 U. S. 1, 14 (1966), and *Hazeltine* v. *Brenner*, 382 U. S. 252, 253 (footnote) (1965), that the pertinent art to be considered under 35 U. S. C. § 103 is, as the statute expressly provides, that existing "at the time the invention was made."

For petitioners to say that the alleged 1948 "work" of Mackey was "prior art" with respect to the 1947 invention of the patentee is absurd.

Question 3.

This question asks the Court to hold that one who has contributed to the infringement of a patent by selling a material component of the invention is exonerated if there is

any nonfringing use for the component that is not "frivolous or contrived" (Pet. 3, 10). This point of law has already been decided in *Aro Manufacturing Co., Inc., et al.* v. *Convertible Top Replacement Co., Inc.*, 377 U. S. 476, 487-88 (1964) [*Aro II*]:

> "Indeed, this is the almost unique case in which the component was hardly suitable for *any* noninfringing use. On this basis both the District Court originally, 119 U. S. P. Q., at 124 [*Aro I*], and the Court of Appeals in the instant case, 312 F. 2d, at 57, held that Aro was a contributory infringer within the precise letter of § 271(c)." (Emphasis by the Court.)

The District Court's decision in *Aro I* had pointed out:

> ". . . some of the fabrics manufactured by defendants for cars with Mackie-Duluk tops by happenstance may also fit some cars with other types of tops. This does not alter the fact that they are admittedly purposely designed for, and advertised for, Mackie-Duluk tops."

Even in the unique circumstances of *Aro II*, the noninfringing uses were not "frivolous or contrived." The petition at bar does not even mention this controlling authority, let alone suggest any reason why it should be overturned.

The extent of the alleged noninfringing uses in the present case is grossly distorted (Pet. 9-10, 14). The Court of Appeals opinion points up (App. 13) the evidence that the amount of tape applied to such uses "wouldn't exceed the amount of tape that would normally be wasted."*

This much-magnified issue was considered initially by the District Court after a full trial, and twice by the Court of Appeals, even though it was not within the scope of the remand following the District Court's first decision. Neither court found any basis for holding that petitioner

* The amount of tape allegedly applied to noninfringing uses (Pet. 14, fn.) is less than 1% of the combined production by respondent and petitioner National during the seven years preceding trial of this case (see Finding 40, App. 24).

National's conduct was outside the precise terminology of § 271(c).

Further arguments (Pet. 14) that "the Court of Appeals effectively thwarted competition in the unpatented paper tape" and that "the patentee should not be permitted to license, refuse to license, sue for contributory infringement, or act in any other way which would elevate this narrow patent position to a monopoly over the unpatented product" are not supported by the record. Indeed, no record citation or reference is offered. Such inflammatory assertions grossly distort the extent of the alleged noninfringing uses, whatever such extent may be within the terms "incidental" and "insubstantial" used by the Court of Appeals. Moreover, petitioners' professed fears of monopoly cannot possibly materialize, even in such a minuscule area, because the Court of Appeals particularly provided (App. 13) that "When damages are determined, consideration may be given to such uses in accordance with and as may be appropriate under any showing made as to their extent."

CONCLUSION.

The petition for Writ of Certiorari should be denied.

Respectfully submitted,

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